

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
MOM CA Investco LLC, <i>et al.</i> , ¹	Case No. 25-10321 (BLS)
Debtors.	(Jointly Administered)
	Objection Deadline: September 15, 2025 at 4:00 p.m. (ET)
	Hearing Date: September 22, 2025 at 1:30 p.m. (ET)

**FIRST AND FINAL APPLICATION OF BUCHALTER,
A PROFESSIONAL CORPORATION FOR COMPENSATION FOR
SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES
AS SPECIAL COUNSEL TO THE DEBTORS IN POSSESSION
FOR THE PERIOD FEBRUARY 28, 2025 THROUGH AUGUST 18, 2025**

Name of Applicant:	Buchalter, A Professional Corporation
Authorized to Provide Professional Services to:	The above-captioned Debtors and Debtors in Possession
Date of Retention:	May 13, 2025, effective as of February 28, 2025
Period for which compensation and reimbursement are sought:	February 28, 2025 through August 18, 2025
Amount of Compensation sought as actual, reasonable, and necessary:	\$1,257,828.00
Amount of Expense Reimbursement sought as actual, reasonable, and necessary:	\$14,927.77
This is a(n): ____ monthly ____ interim <u>X</u> final application	

¹ The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor's federal tax identification number, were: MOM CA Investco LLC [6263], MOM AS Investco LLC [6049], MOM BS Investco LLC [6180], Retreat at Laguna Villas, LLC [2046], Sunset Cove Villas, LLC [9178], Duplex at Sleepy Hollow, LLC [9237], Cliff Drive Properties DE, LLC [0893], 694 NCH Apartments, LLC [0318], Heisler Laguna, LLC [4709], Laguna Festival Center, LLC [4073], 891 Laguna Canyon Road, LLC [0647], 777 AT Laguna, LLC [8715], Laguna Art District Complex, LLC [8316], Tesoro Redlands DE, LLC [2764], Aryabhata Group LLC [7332], Hotel Laguna, LLC [9580], 4110 West 3rd Street DE, LLC [8641], 314 S. Harvard DE, LLC [2057], Laguna HI, LLC [6408], Laguna HW, LLC [9470], The Masters Building, LLC [6134], 837 Park Avenue, LLC [3229], and Terra Laguna Beach, Inc. [2344] (interim). The Debtors' headquarters are located at 520 Newport Center Drive, Suite 480, Newport Beach, CA 92660.

Previously Filed Applications: N/A.

**COMPENSATION BY PROFESSIONAL
FEBRUARY 28, 2025 THROUGH AUGUST 18, 2025**

Name of Professional Individual	Position	Hourly Billing Rate (including changes)	Total Billed	Total Hours
Jeffrey K. Garfinkle	Shareholder	\$850.00	\$160,735.00	189.1
David Hitchcock	Shareholder	\$780.00	\$88,608.00	113.6
Bernard D. Bollinger, Jr.	Shareholder	\$750.00	\$368,850.00	491.8
Douglas Wance	Shareholder	\$645.00	\$4,321.50	6.7
Artin Betpera	Shareholder	\$625.00	\$3,812.50	6.1
Steve Jakubowski	Shareholder	\$600.00	\$6,000.00	10.0
William Brody	Shareholder	\$595.00	\$85,025.50	142.9
Brian Fish	Shareholder	\$580.00	\$7,888.00	13.6
Bradley Siegal	Shareholder	\$550.00	\$3,245.00	5.9
Jonathan August	Special Counsel	\$550.00	\$20,130.00	36.6
J. Leland Murphree	Special Counsel	\$530.00	\$82,786.00	156.2
Derek Guizado	Senior Counsel	\$525.00	\$8,505.00	16.2
Tricia Pham	Senior Counsel	\$415.00	\$5,893.00	14.2
Khaled Tarazi	Senior Counsel	\$395.00	\$112,061.50	283.7
Rebecca Wicks	Associate	\$500.00	\$138,400.00	276.8
Paula Hernandez	Associate	\$450.00	\$15,480.00	34.4
Michelle Lopez	Associate	\$450.00	\$4,960.00	12.4
John Baxter	Associate	\$425.00	\$78,242.50	184.1
Katherine McComic	Associate	\$425.00	\$11,050.00	26
Dakota Pearce	Associate	\$395.00	\$3,199.50	8.1
Erica Feemster	Associate	\$350.00	\$6,845.00	21
Arlen Moradi	Associate	\$325.00	\$3,282.50	10.1
Erick Diaz	Associate	\$300.00	\$6,870.00	22.9

Name of Professional Individual	Position	Hourly Billing Rate (including changes)	Total Billed	Total Hours
Claire Copher	Associate	\$290.00	\$1,798.00	6.2
Kara Gibson Schrader	Paralegal	\$320.00	\$5,696.00	17.8
Mary Kate Haney	Paralegal	\$235.00	\$6,932.50	29.5
Nili Yavin	Litigation Tech.	\$350.00	\$4,760.00	13.6
Bora Oytun	Litigation Tech.	\$295.00	\$6,932.50	23.5
Al Gay	Litigation Tech.	\$275.00	\$3,217.50	11.7
Joseph Stavig	Litigation Tech.	\$195.00	\$2,301.00	11.8
		TOTAL	\$1,257,828.00	2,196.5
		Grand Total		\$1,257,828.00
		Attorney Compensation		\$1,227,988.50
		Total Attorney Hours		2,088.6
		Blended Attorney Rate		\$587.95

COMPENSATION BY PROJECT CATEGORY
FEBRUARY 28, 2025 THROUGH AUGUST 18, 2025

Project Category	Hours	Amount
Asset Disposition	633.5	\$340,113.00
Business Operations	161.9	\$108,466.00
Case Administration	777.7	\$442,723.50
Fee/Employment Applications	254.8	\$145,261.00
Litigation	207.4	\$126,102.50
Planning, Coordination, and Case Management	161.2	\$95,162.00
TOTAL	2196.5	\$1,257,828.00

EXPENSE SUMMARY
FEBRUARY 28, 2025 THROUGH AUGUST 18, 2025

Expense Category	Amount
Outside Copying Services	\$219.46
Travel	\$5,072.34

Expense Category	Amount
Filing Fees	\$929.60
UCC Search Fees	\$8,420.00
Federal Express	\$286.37
TOTAL	\$14,927.77

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FOR THE DISTRICT OF DELAWARE**

In re:

MOM CA Investco LLC, *et al.*,²

Debtors.

Chapter 11

Case No. 25-10321 (BLS)

(Jointly Administered)

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**FIRST AND FINAL APPLICATION OF BUCHALTER,
A PROFESSIONAL CORPORATION FOR COMPENSATION FOR
SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES
AS SPECIAL COUNSEL TO THE DEBTORS AND DEBTORS IN POSSESSION
FOR THE PERIOD FEBRUARY 28, 2025 THROUGH AUGUST 18, 2025**

Pursuant to sections 330 and 331 of title 11 of the United States Code, §§ 101-1532 (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and in accordance with that certain *Order Authorizing the Employment and Retention of Buchalter, A Professional Corporation as Special Counsel Nunc Pro Tunc to Petition Date* [Docket No. 397] (the “Retention Order”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* [Docket No. 202] (the “Interim Compensation Order”), and the *Order Dismissing Chapter 11 Cases* (“Dismissal Order”), Buchalter, A Professional Corporation (“Buchalter”) hereby applies (this “Application”) to the United States Bankruptcy Court for the District of Delaware (the “Court”) for reasonable compensation for professional legal services rendered as co-counsel to the above

² The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor’s federal tax identification number, were: MOM CA Investco LLC [6263], MOM AS Investco LLC [6049], MOM BS Investco LLC [6180], Retreat at Laguna Villas, LLC [2046], Sunset Cove Villas, LLC [9178], Duplex at Sleepy Hollow, LLC [9237], Cliff Drive Properties DE, LLC [0893], 694 NCH Apartments, LLC [0318], Heisler Laguna, LLC [4709], Laguna Festival Center, LLC [4073], 891 Laguna Canyon Road, LLC [0647], 777 AT Laguna, LLC [8715], Laguna Art District Complex, LLC [8316], Tesoro Redlands DE, LLC [2764], Aryabhata Group LLC [7332], Hotel Laguna, LLC [9580], 4110 West 3rd Street DE, LLC [8641], 314 S. Harvard DE, LLC [2057], Laguna HI, LLC [6408], Laguna HW, LLC [9470], The Masters Building, LLC [6134], 837 Park Avenue, LLC [3229], and Terra Laguna Beach, Inc. [2344] (interim). The Debtors’ headquarters are located at 520 Newport Center Drive, Suite 480, Newport Beach, CA 92660.

captioned debtors and debtors in possession (the “Debtors”) in the amount of \$1,257,828.00, together with reimbursement for actual and necessary expenses incurred in the amount of \$14,927.77, for the period February 28, 2025 through August 18, 2025 (the “Final Fee Period”) and that the Debtors be made jointly and severally liable for the amounts allowed to Buchalter as provided in the Dismissal Order. In support of this Application, Buchalter respectfully represents as follows:

BACKGROUND

1. On February 28, 2025 (the “Investco Petition Date”), Debtor MOM CA Investco LLC (“MOM CA”), Debtor MOM AS Investco LLC (“MOM AS”), and Debtor MOM BS Investco LLC (“MOM BS,” collectively with MOM CA and MOM AS, the “MOM Investcos”) each filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code. The MOM Investcos were founded in June of 2021 for the purpose of managing a robust real estate investment portfolio.

2. Each of the MOM Investcos owns a number of subsidiary special purpose entities (each an “SPE”), which each own and hold a separate investment property. Collectively, the MOM Investcos have ownership interests in roughly sixty (60) SPEs for properties across the country. Each of the MOM Investcos holds one-hundred percent (100%) of the ownership interests for each of their respective SPEs.

3. On March 10, 2025, and March 31, 2025, (together with the Investco Petition Date, the “Petition Date,” as applicable), twenty of the SPEs (collectively, the “SPE Debtors,”³ together with the MOM Investcos, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

4. Buchalter was retained as Special Counsel effective as of the Petition Date as described in the Retention Order, dated April 11, 2025 [Docket No. 213]. The Retention Order

³ The “SPE Debtors” are: Retreat at Laguna Villas, LLC; Sunset Cove Villas, LLC; Duplex at Sleepy Hollow, LLC; Cliff Drive Properties DE, LLC; 694 NCH Apartments, LLC; Heisler Laguna, LLC; Laguna Festival Center, LLC; 891 Laguna Canyon Road, LLC; 777 AT Laguna, LLC; Laguna Art District Complex, LLC; Tesoro Redlands DE, LLC; Aryabhata Group LLC; Hotel Laguna, LLC; 4110 West 3rd Street DE, LLC; 314 S. Harvard DE, LLC; Laguna, HI, LLC; Laguna HW, LLC; The Masters Building, LLC; 837 Park Avenue, LLC, and Terra Laguna Beach, Inc. (interim).

authorized Buchalter to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

5. The Retention Order was the result of negotiations with the Office of the United States Trustee (the “UST”) regarding the scope of Buchalter’s retention. As described in this Application’s Summary of Services rendered, the time entries of Buchalter’s professionals were divided into categories to comport with the scope of work authorized by the Retention Order.

6. On August 18, 2025, the Court entered its *Order Dismissing Chapter 11 Cases* (the “Dismissal Order”) [Docket No. 769]. The Dismissal Order includes the following language pertaining to this Application:

All professionals retained in the Chapter 11 Cases (the “Professionals”) shall file final fee applications (the “Final Fee Applications”) for fees incurred in the Chapter 11 Cases within twenty-one (21) days following entry of this Order, for which the Debtors are severally and jointly liable.

The Dismissal Order also described the required filing and briefing schedule for the Final Fee Applications and set the hearing date for those Final Fee Applications.

SUMMARY OF SERVICES RENDERED

7. Attached hereto as **Exhibit A** is a detailed statement of fees incurred during the Final Fee Period, demonstrating the amount of \$1,257,828.00 due for fees. The services rendered by Buchalter during the Final Fee Period are grouped into the following categories to comport with the scope of employment delineated in the Retention Order as follows:

- a. Provide non-bankruptcy advice to the Debtors with respect to matters related to the Real Properties and real property leases, including non-bankruptcy advice with respect to asset sales and unlawful detainer issues, but not including any matters related to the ultimate ownership of the Debtors and their assets, or the Arbitration and the related litigation (Time Category: 102)
- b. Provide non-bankruptcy advice to the Debtors with respect to matters related to property management of estate assets, including the Real Properties and SPEs, including issues related to security deposits, property management agreements, interfacing with the City of Laguna, California tax issues, occupancy issues, and employee contracts, but not including

any matters related to the ultimate ownership of the Debtors and their assets or the Arbitration and the related litigation or any disputes between the Honarkar Parties and the Debtors; (Time Category: 103)

- c. Provide California state law advice to the Debtors pertaining to the Debtors' and non-debtor SPEs' business operations and Real Properties, including mechanics' liens; (Time Categories: 103, 110)
- d. Advise and represent the Debtors and certain non-debtor SPEs in California lawsuits related to unlawful detainer actions and employment litigation, provided that such lawsuits are wholly unrelated to the Arbitration and related litigation. (Time Categories 103, 110)

Additionally, the work provided by Buchalter that does not fit precisely within the scope of employment is divided into three additional time categories:

- a. **Case Administration** (Time Category 104): Any time incurred prior to the May 13, 2025 Retention Order that did not fit within the categories enumerated in the Retention Order is included in this category.
- b. **Fee/Employment Applications** (Time Category 107): Any time incurred that related to fee or employment applications of Buchalter or of other professionals associated with the other categories of work (those relating to California real property issues or other California-related business operations) is included in this category.
- c. **Planning Coordination and Case Management** (Time Category 123): Any time incurred that related to (i) the coordination of efforts of all the professionals employed in Debtors' cases or (ii) administration of these cases related to work streams specifically delineated in the Retention Order is included in this category.

8. The attorneys and paralegals who rendered services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category, in Exhibit A. That exhibit classifies all services performed into the categories that best relates to the provided service. Occasionally, certain services affected multiple categories and thus services pertaining to one category may be included in another. The fact that similar services appear in several categories did not result in any duplication of work or billing. Those categories are set forth below.

Asset Disposition (102)

Buchalter advised the Debtors regarding California real property issues that assisted the Debtors with protecting and preserving the value of their assets. Prior to the Petition Date, many of the Debtors' real property assets were in foreclosure, with the foreclosures of certain of the properties being imminent. Buchalter assessed the stages of the various foreclosure proceedings under California law in order to assist the Debtors in triaging their respective situations.

Buchalter obtained title reports to aid the Debtors in assessing the validity of the liens against their properties. After identifying anomalies on the initial title reports, Buchalter obtained title reports from a separate company in order to compare and vet the various liens and encumbrances appearing on such reports. Buchalter also assisted with coordinating the sale process by helping with the engaging of brokers (both the master broker and property-level broker), including negotiating and documenting the engagement agreements with such brokers. Buchalter drafted a base NDA and negotiated revisions to numerous NDAs from prospective purchasers of the properties. Buchalter also coordinated the ordering and obtaining of several property-level diligence reports the Debtors relied upon in the sale process (and can continue to rely upon post-dismissal), including without limitation surveys, property condition reports, environmental reports, and zoning reports. Buchalter further drafted a base form purchase and sale agreement for use as an "off-the-shelf" form for any of the Debtors' real property assets.⁴

Business Operations (103)

Buchalter advised Debtors regarding California state law issues relating to business operations. Those issues included property management agreements and related issues, tenant occupancy issues, employee contracts and related employment issues.

A significant portion of this work related to unlawful detainer issues and the recovery of funds deposited with the California state court. Prior to the Petition Date, in or around September

⁴ This category includes time incurred regarding sale of the Tesoro Property, an issue raised in the UST's objection to Buchalter's employment. Pursuant to the terms of the Retention Order, the UST agreed not to "seek to disgorge Buchalter's fees raised in that Objection...including with respect to the Tesoro Motion" subject to the UST reservation of rights to object to any such fees for reasonableness. Retention Order at ¶ 6.

2023, Buchalter filed twenty-one unlawful detainer actions on behalf of certain Debtors against tenants occupying various real properties owned by the Debtors without paying rent (collectively, the “Unlawful Detainer Actions”) in the Superior Court of California, Orange County, California (the “Superior Court”). In twelve of the Unlawful Detainer Actions, the Superior Court issued orders, pursuant to California Code of Civil Procedure § 572, *et seq.*, requiring the tenant defendants to deposit the monthly rental payments with the Superior Court’s treasury, as provided in California Government Code § 68084 (each a “527 Order”). Pursuant to the 527 Orders, approximately \$300,000 in rent owed to the respective Debtors was held in the treasury of the Superior Court at the time the Bankruptcy Cases were dismissed (the “Deposited Rents”).

Buchalter prepared and filed the *Stipulation Between Debtors, Mohammad Honarkar, and 4G Wireless, Inc.*, which (i) determined that the Deposited Rents are property of the Debtors’ estate; (ii) modified the automatic stay to allow Buchalter to file pleadings in the Superior Court to disburse the Deposited Rents and to permit the Debtors to petition the Superior Court to disburse all future Deposited Rents directly to the Debtors. Upon approval of the stipulation, Buchalter filed a *Motion for Further Order Requiring Disbursement of Deposited Rent* in each of the twelve Unlawful Detainer Actions with a 527 Order (the “Disbursement Motions”). Buchalter represented the Debtors in hearings on the twelve Disbursement Motions and prepared proposed orders granting the Disbursement Motions (the “Proposed Disbursement Orders”). Given the substantial amount of Deposited Rents, the Superior Court requested amendments to the Proposed Disbursement Orders, which Buchalter prepared. The Superior Court has entered the Proposed Disbursement Orders and is in the process of distributing approximately \$300,000 in Deposited Rents to the Debtors. Additionally, as counsel, Buchalter contacted counsel for the tenants in the Unlawful Detainer Actions and informed them that all future rent should be directed to the Debtors.⁵

Additionally, some of the work included in this category included efforts by Buchalter to address environmental and zoning issues at the property level. For example, Buchalter engaged

⁵ These funds had not been recovered as of the dismissal of these cases, but the payment from the court is expected soon, will be sent by the state courts involved to FTI, and will ultimately be sent to the property level Debtors.

with the California Coastal Commission and the City of Laguna Beach in connection with alleged zoning violations at the Hotel Laguna. Other work included employee-related issues that impacted Debtors' various business operations.

Litigation (110)

Buchalter attorneys filed the necessary documents and pleadings relating to the unlawful detainer actions and return of the rent deposits, as well as those relating to Debtors and employees. Those matters required the multiple pleadings, court appearances and negotiations with opposing counsel that are all included within this category of services.

Case Administration (104)

The bulk of the work performed by Buchalter prior to the Retention Order is described in this category.⁶ That work included work concerning Debtors' first day motions, cash collateral and financing issues, the review of documents relating to responses to discovery requests propounded by the Honarkar parties relating to the Trustee motion, assistance with the preparation of Debtors' schedules and other matters addressed during the early stages of Debtors' cases.

The services provided in this category were the subject of the UST's objection to Buchalter's employment application. The crux of that objection was that the services provided by Buchalter were too broad due to Buchalter's pre-petition connections with Debtors and that those services should be limited to those typically provided by special counsel. As provided in the Retention Order, that objection was resolved by Buchalter's agreement to reduce the scope of its services and to write off a portion of its fees incurred prior to the Retention Order.⁷ The Retention Order also provided that the UST would not "seek to disgorge Buchalter's fees raised in its objection...subject to the UST's reservation of rights to object to any such fees for reasonableness." Retention Order at ¶ 6.

⁶ This category includes substantially all of the work performed by Jeff Garfinkle prior to the family emergency that caused his inability to continue to work on these cases.

⁷ \$157,626 in fees were written off.

Fee/Employment Applications (107)

In addition to the preparation of its own employment application, responses to inquiries by the UST and the negotiation of a resolution of the terms of its employment, Buchalter either prepared numerous other applications or addressed issues relating to potential applications for services required by Debtors' estates. Those other applications include that seeking to employ Debtors' independent manager, to employ brokers or consultants relating to the real property or Debtors business operations.

Planning Coordination and Case Management (123)

The services provided in this category concern those typically associated with cases of this size and complexity and included weekly attendance of update meetings coordinated by the CRO and attendance and regular meetings called by the CRO with the Debtors' secured lenders to provide updates on case developments.

ACTUAL AND NECESSARY EXPENSES

9. Buchalter has incurred out-of-pocket expenses during the Final Fee Period in the amount of \$14,927.77. Attached as **Exhibit B** is a detailed statement of expenses paid during the Final Fee Period. This out-of-pocket disbursement sum is broken down into categories of charges, including, among other things, express mail charges, copying charges by outside copying services and travel expenses.

VALUATION OF SERVICES

10. Attorneys and paraprofessionals of Buchalter have expended a total of 2196.5 hours in connection with this matter during the Final Fee Period.

11. The amount of time spent by each of these persons providing services to the Debtors for the Final Fee Period is fully set forth in the detail attached hereto as **Exhibit A**. These are Buchalter's normal hourly rates of compensation for work of this character. The reasonable value of the services rendered by Buchalter for the Final Fee Period as counsel for the Debtors in these cases is \$1,257,828.00.

12. Buchalter believes that the time entries included in **Exhibit A** attached hereto and the expense breakdown set forth in **Exhibit B** attached hereto are in compliance with the requirements of Local Rule 2016-1.

13. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of these Chapter 11 Cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

14. This Application covers the fee period from February 28, 2025 through and including the dismissal of Debtors' by order of this Court dated August 18, 2025.

CONCLUSION

WHEREFORE, Buchalter respectfully requests allowance be made to it in the sum of \$1,257,828.00 as compensation for necessary professional services rendered to the Debtors for the Final Fee Period, and the sum of \$14,927.77 as reimbursement of actual necessary costs and expenses incurred during the final period, and that the Debtors be made jointly liable for the amounts allowed to Buchalter as set forth in the Dismissal Order, and that the Court enter such other and further relief as the Court may deem just and proper.

Dated: September 8, 2025
Los Angeles, CA

Respectfully submitted,

/s/ Bernard D. Bollinger, Jr.

Bernard D. Bollinger, Jr. (admitted pro hac vice)

BUCHALTER, A PROFESSIONAL CORPORATION

1000 Wilshire Boulevard, Suite 1500

Los Angeles, CA 90015

Telephone: (213) 891-0700

Email: bbollinger@buchalter.com

-and-

Khaled Tarazi (admitted pro hac vice)
BUCHALTER, A PROFESSIONAL
CORPORATION
15279 N. Scottsdale Road, Suite 400
Scottsdale, Arizona 85254-2659
Telephone: (480) 383-1800
Email: ktarazi@buchalter.com

*Counsel to the Debtors and Debtors in
Possession*